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13 **UNITED STATES DISTRICT COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA**
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17 **SECURITIES AND EXCHANGE**
18 **COMMISSION,**

19 **Plaintiff,**

20 **vs.**

21 **PETER L. JENSEN AND THOMAS**
22 **C. TEKULVE, JR.,**

23 **Defendants.**

Case No. CV 11-05316-R

FINAL JUDGMENT AS TO
DEFENDANT PETER L. JENSEN

24 The Securities and Exchange Commission (“SEC”) having filed a Complaint
25 and Defendant Peter L. Jensen (“Defendant”) having entered a general appearance;
26 consented to the Court’s jurisdiction over Defendant and the subject matter of this
27 action; consented to entry of this Final Judgment without admitting or denying the
28 allegations of the Complaint (except as to jurisdiction and except as otherwise

provided herein in paragraph XIII); waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of

1 any security:

2 (a) to employ any device, scheme, or artifice to defraud;

3 (b) to make any untrue statement of a material fact or to omit to state a
4 material fact necessary in order to make the statements made, in the light
5 of the circumstances under which they were made, not misleading; or

6 (c) to engage in any act, practice, or course of business which operates or
7 would operate as a fraud or deceit upon any person.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
9 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
10 binds the following who receive actual notice of this Final Judgment by personal
11 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
12 attorneys; and (b) other persons in active concert or participation with Defendant or
13 with anyone described in (a).

14 **III.**

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
16 is permanently restrained and enjoined from violating, directly or indirectly, Section
17 13(a) of the Exchange Act [15 U.S.C. § 78t(a)], and Rules 12b-20, 13a-1 and 13a-13
18 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1 and 240.13a-13] [15 U.S.C. §
19 78j(b)], by filing with the Commission required periodic reports that fail to include
20 material information necessary to make the required statements, in light of the
21 circumstances under which they were made, not misleading.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
23 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
24 binds the following who receive actual notice of this Final Judgment by personal
25 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
26 attorneys; and (b) other persons in active concert or participation with Defendant or
27 with anyone described in (a).

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IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 13(b)(5) of the Exchange Act [15 U.S.C. §78m(b)(5)] and Rule 13b2-1 thereunder [17 C.F.R. §240.13b2-1], by knowingly falsifying books, records and accounts issuers are required to make and keep, in reasonable detail, that accurately and fairly reflect the issuer's transactions and dispositions of its assets, and by directly or indirectly falsifying or causing to be falsified issuers' books, records and accounts.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Rule 13a-14 [17 C.F.R. § 240.13a-14], by falsely certifying that an issuer's annual and quarterly reports fully comply with the requirements of the Exchange Act and fairly present, in all material respects, the financial condition and results of operations of the company, when, in fact, the reports contain untrue statements of material fact and omit material information necessary to make the reports not misleading

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

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VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 304(a) of the Sarbanes-Oxley Act of 2002 [15 U.S.C. § 7243] by failing to reimburse an issuer for any bonus or other incentive-based compensation and any profits realized from the sale of the issuer's securities during the 12-month period following the first public issuance or filing with the Commission of any financial document, for which an issuer is required to prepare an accounting restatement due to the material noncompliance of the issuer, as a result of misconduct, with any financial reporting requirement under the securities laws.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from, directly or indirectly, controlling any person who violates Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], Section 13(a) of the Exchange Act [15 U.S.C. § 78t(a)], and Rules 12b-20, 13a-1 and 13a-13 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1 and 240.13a-13], unless Defendant acts in good faith and does not directly or indirectly induce the act or acts constituting the violation.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and

1 attorneys; and (b) other persons in active concert or participation with Defendant or
2 with anyone described in (a).

3 **VIII.**

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
5 is permanently restrained and enjoined from aiding and abetting any violation of
6 Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder
7 [17 C.F.R. § 240.10b-5], Section 13(a) of the Exchange Act [15 U.S.C. § 78t(a)], and
8 Rules 12b-20, 13a-1 and 13a-13 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1 and
9 240.13a-13], Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] by knowingly
10 or recklessly providing substantial assistance to an issuer's violation of the aforesaid
11 provisions.

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
13 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
14 binds the following who receive actual notice of this Final Judgment by personal
15 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
16 attorneys; and (b) other persons in active concert or participation with Defendant or
17 with anyone described in (a).

18 **IX.**

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant
20 to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] and/or Section 20(e)
21 of the Securities Act [15 U.S.C. § 77t(e)], Defendant is prohibited for three (3) years
22 following the date of entry of this Final Judgment, from acting as an officer or
23 director of any issuer that has a class of securities registered pursuant to Section 12 of
24 the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to
25 Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

26 **X.**

27 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
28 shall pay a civil penalty in the amount of \$130,000.00 to the Securities and Exchange

Commission pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall make this payment with thirty (30) calendar days after entry of this Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center

Accounts Receivable Branch

6500 South MacArthur Boulevard

Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Defendant's name as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

XI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall reimburse BWI Liquidating Trust \$1,551,077.00 pursuant to Section 304 of the Sarbanes-Oxley Act of 2002, 15 U.S.C. § 7243(a). Defendant shall satisfy this reimbursement obligation by paying BWI Liquidating Trust in three (3) installments.

1 The first installment, in the amount of \$551,077.00, shall be paid within thirty (30)
2 calendar days after entry of this Final Judgment. The second installment, in the
3 amount of \$500,000.00, shall be paid six (6) months after entry of this Final
4 Judgment, plus post-judgement interest pursuant to 28 U.S.C. § 1961. The third
5 installment, in the amount of \$500,000.00, shall be paid twelve (12) months after
6 entry of this Final Judgment, plus post-judgement interest pursuant to 28 U.S.C. §
7 1961. Defendant may transmit payment electronically to BWI Liquidating Trust, c/o
8 Walker Truesdell Roth & Associates, which will provide detailed ACH
9 transfer/Fedwire instructions upon request. All payments to BWI Liquidating Trust
10 shall be accompanied by a letter identifying Peter L. Jensen as a defendant in this
11 action; setting forth the title and civil action number of this actions and the name of
12 this Court; and specifying that payment is made pursuant to this Final Judgment.
13 Defendant shall simultaneously transmit photocopies of such payment and letter to
14 the Commission's counsel in this action. By making this payment, Defendant
15 relinquishes all legal and equitable right, title, and interest in such funds, and no part
16 of the funds shall be returned to Defendant. If Defendant fails to make any payment
17 by the date agreed and/or in the amount agreed according to the schedule set forth
18 above, all outstanding payments under this Final Judgment, including post-judgment
19 interest, minus any payments made, shall become due and payable immediately at the
20 discretion of the staff of the Commission without further application to the Court.

21 **XII.**

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
23 Defendant's Consent is incorporated herein with the same force and effect as if fully
24 set forth herein, and that Defendant shall comply with all of the undertakings and
25 agreements set forth therein.

26 **XIII.**

27 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
28 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,

1 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
2 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
3 amounts due by Defendant under this Final Judgment or any other judgment, order,
4 consent order, decree or settlement agreement entered in connection with this
5 proceeding, is a debt for the violation by Defendant of the federal securities laws or
6 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of
7 the Bankruptcy Code, 11 U.S.C. §523(a)(19).

8 **XIV.**

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
10 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
11 Judgment.

12 **XV.**

13 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
14 Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and
15 without further notice.

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17 Dated: September 12, 2017



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19 UNITED STATES DISTRICT JUDGE
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